

Mike Dunleavy, Governor Julie Sande, Commissioner Keith Kurber II, Chairman

Regulatory Commission of Alaska

March 10, 2023

In reply refer to: Advisory Section

File: TR2300974 LO#: L2300085

Timothy G. Barnum General Manager Middle Kuskokwim Electric Cooperative, Inc. P.O. Box 951 Bolivar, MO 65613

Dear Mr. Barnum:

We have received a letter from the Crooked Creek Traditional Council asserting that the quality of service provided by Middle Kuskokwim Electric Cooperative, Inc. (MKEC) is not satisfactory. A copy of the letter and enclosures are attached to this letter order. We note that there is no indication that a copy of the letter was sent to MKEC.

The attached letter does not assert that it is an informal complaint under 3 AAC 48.120 or a formal complaint under 3 AAC 48.130. However, it is from the governing body of the Native Village of Crooked Creek and does raise serious concerns about the quality of electric utility service provided by MKEC in Crooked Creek. Therefore, under the authority of AS 42.05.141(a)(5) we require MKEC to file with us a response to the assertions in the attached letter by March 24, 2023. MKEC must provide a copy of its response to the Crooked Creek Traditional Council.

Upon our receipt of the attached letter, we reviewed our files to determine the outage history of MKEC. We discovered that MKEC has failed to file the outage report information required by 3 AAC 52.490(b)(3) for at least the past ten years. 3 AAC 52.490(b)(3) requires a utility to file, as a part of its annual report, a cumulative 12-month report of its service outages. The attached letter asserts that outages in Crooked Creek have been an ongoing problem for at least the past ten years. Therefore, we require MKEC to file the annual outage report information specified in 3 AAC 52.490(b)(3) for each of the past ten years by March 24, 2023.

Also, our regulation at 3 AAC 52.490(b)(2) requires that:

A utility shall submit information to the commission regarding service outages as follows:

...

(2) for an outage described in (1) of this subsection or an outage from whatever cause, that persists for 30 minutes or more, and affects five percent or more of a utility's customers within its certificated service area or all customers within a reliability reporting area, the utility shall file with the commission, in accordance with 3 AAC 48.095 and not later than five business days after the conclusion of the outage, a written report that must include

L2300085 MKEC Page 2 of 2

- (A) the location and time of the outage;
- (B) the duration of the outage;
- (C) the total number of customers affected and the number of customers without service at periodic intervals;
 - (D) the cause of the outage if known;
 - (E) the number of fatalities and personal injuries; and
- (F) each individual to be contacted by the commission for additional information;

The phrase "reliability reporting area" used in 3 AAC 52.490(b)(2) is defined in 3 AAC 52.500(38)(A) as being "a non-interconnected independent electric system within the utility's certificated service area." We require MKEC to file each report required under 3 AAC 52.490(b)(2) for the Native Village of Crooked Creek and each of the other villages served by MKEC for the years 2021 and 2022 by March 24, 2023.

In addition, we are concerned that the Traditional Council of Crooked Creek would feel it necessary to come to us to get a response from its local electric cooperative. Therefore, we require MKEC to file by March 24, 2023:

- (1) a copy of its current bylaws;
- (2) a list of its current Directors;
- (3) the voting record of its most recent election for Directors, or if Directors are elected by district on a rotating election basis, the voting record of the most recent election for each Director;
- (4) the minutes and agenda for each meeting of the MKEC Board of Directors for the last 12 months; and
- (5) records of all quality of service complaints received by MKEC in the past 12 months, together with all written documentation of the resolution of any complaints which were addressed under Section VII of MKEC's currently effective tariff.

BY DIRECTION OF THE COMMISSION

Sincerely,

Keith Kurber //
Keith Kurber II (Mar 10, 2023 10:48 AKST)

Keith Kurber II Chairman

CC:

Governor Mike Dunleavy Alaska Senator Lyman Hoffman Alaska Representative CJ McCormick

U.S. Senator Dan Sullivan

U.S. Senator Lisa Murkowski
U.S. Representative Mary Peltola

President/CEO Andrew Guy, Calista Corporation

President/CEO Andrea Gusty, The Kuskokwim Corporation

External Affairs Manager Kristina Woolston, Donlin Gold LLC

The Crooked Creek Traditional Council

Monica Grassi, Aldrich CPAs and Aldrich Advisors LLP, Consultants for Middle Kuskokwim Electric Cooperative, Inc.

Regulatory Commission of Alaska Keith Kurber, Chair 701 West 8th Avenue, Suite 300 Anchorage, AK 99501-3469

Electronic: rca.mail@alaska.gov

Chairman Kurber:

The Crooked Creek Traditional Council has done everything we can think of to try to help our community. The Middle Kuskokwim Electrical Cooperative's ongoing failure to provide reliable power or customer service along with Crooked Creek's extreme weather conditions and remote location leave us in a state of emergency.

We've been trying for a long time to get the Electrical Cooperative to fix their generators or buy new ones so that our community can have the reliable power that we and the state through the Power Cost Equalization fund are paying the Electrical Cooperative for. We are used to working hard to help our community: we didn't want our kids to keep missing school from power outages and resulting water and sewer outages so we worked with the principal to haul creek water in trash cans so kids could flush toilets and go back to school. The Electrical Cooperative's worsening outages and lack of response to our concerns worried us so much that the Traditional Council spent its own money on gas and backup generators (many backup generators failed due to overuse), and transfer switches and installation. After the washeteria went out because of the power outages, we worked with Donlin and they generously donated a generator and technical support to power the washeteria so the community now has one reliable water and sewer option.

The Traditional Council does not have the money to buy a reliable energy solution and it does not have the money to keep paying the Electrical Cooperative for unreliable power. Here is some of a written update from a few days ago from an electrician we brought in, his full email is attached to this letter:

I'm a Master Electrician and fire alarm inspector. I've been an electrician for over twenty years.

(...)

I've worked on power generation in remote areas of Alaska my whole career. From Red Dog Mine to the drill rigs of the north slope. The generators are in poor shape. They have three generators but only two are in running condition. One of the two operating has seen better days. It's burning through a lot of oil and not running at peak capacity. The two generators barely put out enough energy to power the village let alone the airport. They have to keep the runway lights off because the generators can't keep up. They have no spare so if one generator goes down more than half of the people lose

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By the Regulatory Commission of Alaska on Mar 03, 2023

power. I came back to Crooked Creek this February to install transfer switches on all the homes there. In the two weeks Ive been here the power has went out at least once a day. Some times for hours. It was 37 below zero one of those days. I went to the power house to see if I could help. It was in even worse shape than last summer. I got the power back on after 14 hours of making necessary repairs. There are elderly people that can't start their little Honda generators. So they have to sit in the dark around a stove to stay warm.

One of our Elders shared that there have been near daily power outages here going back ten years. Power outages got so frequent and so long (weeks of no power to many of the buildings during November and December), that we are now in a crisis. These reoccurring power outages have recently caused the following problems:

- School closures
- Medication access cut off because the power outages closed the post office so we could not pick up the medications that the Yukon Kuskokwim Health Corporation mails to us and this closure was made even longer because the postal worker left town to stay with family in Aniak where they have stable power and water
- Inability to call outside of Crooked Creek for help in case of emergency
- Loss of clinic workers and clinic closures
- Our dump is collecting many burned out appliances from brown outs and outages such as TVs, washers and dryers, stoves, fridges, and microwaves creating environmental risks
- The loss of the airport's lights and AWOS weather monitoring system risk our safety if someone needs to travel out of Crooked Creek for supplies or emergency medical care

With the ongoing power outages, one of the generators being down at the power plant, and no information about the results of the assessment, we're very scared that we're headed for a full power outage and all the danger that brings.

Governor Dunleavy, The Kuskokwim Corporation, Donlin, and Calista have all been helping us try to get the message across to the Electrical Cooperative that the band-aid fixes and inadequate maintenance and infrastructure are not acceptable and they need to comprehensively assess and fix the reoccuring power outages. After months of waiting and near daily outages, the Electrical Cooperative sent a technician and received a report last week. Councilman Denny Thomas requested the report so that we can determine if we need to make additional emergency plans such as requesting larger backup generators from the National Guard. The Electrical Cooperative refuses to share the report or provide an update to us despite additional verbal and written requests to the Electrical Cooperative and the contractor (example email attached). Our Council also asked for information from the Electrical Cooperative to conduct an energy assessment and this request was also not granted. The Traditional Council is exploring reliable, renewable, lowercost energy for our community, but the Electrical Cooperative's refusal to share information and ongoing power and resulting communication outages is literally keeping us in the dark.

Crooked Creek Traditional Council has repeatedly contacted the Electric Cooperative to share concerns—often without a meaningful response. Yet, when it comes to their payments, they post

reports and letters including price increases and Power Cost Equalization information on https://rca.alaska.gov. The Traditional Council asks the Regulatory Commission of Alaska to:

- 1) Review the Electric Cooperative's reports to verify compliance including, but not limited to, outage-reporting requirements (3 AAC 52.490) and record of nonscheduled interruptions (3 AAC 52.060);
- 2) Request a timely response regarding appropriate preventative maintenance, infrastructure investments, and serviceand a reasonable level of uninterrupted service including, but not limited to, Quality of Service (3 AAC 52.460); and
- 3) Instruct the Electric Cooperative to release all relevant information (including last week's report from Pacific Power) to the Traditional Council so that it can conduct an energy assessment.

The Traditional Council writes this letter because reliable power is necessary for life, food security, economic development, and education. We are not demanding a lot from the Electric Cooperative, just that they provide reliable power and share information with us. Crooked Creek Traditional Council looks forward to working with the Regulatory Commission of Alaska and anyone else we can to address this issue. Thank you for your time and support.

Sincerely, Julia Zaukar, President

Crooked Creek Traditional Council

ENCLOSURES: Email from Joshua Rumsey, electrician; email to Tim Barnum, Middle Kuskowkim Electrical Cooperative

CC:

Governor Mike Dunleavy
Alaska Senator Lyman Hoffman
Alaska Representative CJ McCormick
U.S. Senator Dan Sullivan
U.S. Senator Lisa Murkowski
U.S. Representative Mary Peltola
President/CEO Andrew Guy, Calista Corporation
President/CEO Andrea Gusty, The Kuskokwim Corporation
External Affairs Manager Kristina Woolston, Donlin Gold LLC

From: Joshua Rumsey < mountainstateak@gmail.com >

Sent: Tuesday, February 28, 2023 10:45:06 PM **To:** Tonia Jimmie cjimmie@calistacorp.com

Subject: Crooked Creek

CAUTION: This email originated from outside of the organization. DO NOT CLICK LINKS OR OPEN ATTACHMENTS unless you recognize the sender and know the content is safe.

My name is Joshua Rumsey. I'm the owner of Mountain State Electrical and Fire Alarm Services. I'm a Master Electrician and fire alarm inspector. I've been an electrician for over twenty years. My first experience with the power situation in Crooked Creek Village was last summer. I worked on the runway lighting and snow removal equipment buildings. After doing load calculations and talking to the engineers I decided to go look at the generators. I've worked on power generation in remote areas of Alaska my whole career. From Red Dog Mine to the drill rigs of the north slope. The generators are in poor shape. They have three generators but only two are in running condition. One of the two operating has seen better days. It's burning through a lot of oil and not running at peak capacity. The two generators barely put out enough energy to power the village let alone the airport. They have to keep the runway lights off because the generators can't keep up. They have no spare so if one generator goes down more than half of the people lose power. I came back to Crooked Creek this February to install transfer switches on all the homes there. In the two weeks Ive been here the power has went out at least once a day. Some times for hours. It was 37 below zero one of those days. I went to the power house to see if I could help. It was in even worse shape than last summer. I got the power back on after 14 hours of making necessary repairs. There are elderly people that can't start their little Honda generators. So they have to sit in the dark around a stove to stay warm. I have personally went around and started their generators and got the lights on for them. I'm working on getting the transfer to switches installed but this is just a bandaid to a much bigger problem. The generators and the power house are in need of serious maintenance. They power lines throughout the village are in poor shape. Probably the worst I've seen in any Alaska village. The power in these remote villages is a matter of life safety. In my opinion the Crooked Creek power infrastructure needs to be looked at by the state electrical engineers and inspectors.

Anchorage, Alaska 99503 Cell | 907.744.7454

mstrong@calistacorp.com

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From:Julia Zaukar <zaukarjulia01@gmail.com>

Sent:Thursday, March 2, 2023 7:14 AM

To:Woolston, Kristina <kwoolston@donlingold.com>

Cc:Alba Brice <abrice@calistacorp.com>; Andrea Gusty <andrea.gusty@kuskokwim.com>; Crooked Creek Traditional Council <crookedcreektraditionalcouncil@gmail.com>; Curt

Chamberlain <cchamberlain@calistacorp.com>; Espindola, John M (GOV)

<John.Espindola@alaska.gov>; General Manager MKEC <mkec.gm@gmail.com>; Jonathan

Samuelson < Jonathan.samuelson@kuskokwim.com>; Miranda Strong

<mstrong@calistacorp.com>; Walter Featherly <wfeatherly@calistacorp.com>; Government

Relations Staff <govrelations@calistacorp.com>

Subject:Re: Report

CAUTION:

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Good morning,

With Josh's report, know what we know now. Last night at about 10:15 on our homes that always lose power did again. Just thankful Wilbur was able to get us running again after midnight.

This is so worrisome

Julia

On Wed, Mar 1, 2023 at 7:46 PM Woolston, Kristina < kwoolston@donlingold.com> wrote: [Internal]

Tim

We have stated all along please find a way to connect to Crooked Creek's new generator. MKEC needs to make that happen to connect to your system, otherwise it will be standalone. We are willing to cover costs associated with the connection. And all you need to do is call and I will happily answer any questions that I can. If I cannot, I'll find someone who can.

Thank you,

Kristina

Get Outlook for iOS

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From:Julia Zaukar < zaukarjulia01@gmail.com>

Sent: Wednesday, March 1, 2023 7:16 PM

To:General Manager MKEC < mkec.gm@gmail.com >

Cc:Alba Brice <abrice@calistacorp.com>; Andrea Gusty <andrea.gusty@kuskokwim.com>;

Crooked Creek Traditional Council < crookedcreektraditionalcouncil@gmail.com >; Curt

Chamberlain <cchamberlain@calistacorp.com>; Espindola, John M (GOV)

<<u>John.Espindola@alaska.gov</u>>; Yukon Kuskokwim PAC <<u>govrelations@calistacorp.com</u>>;

Jonathan Samuelson < Jonathan.samuelson@kuskokwim.com >; Miranda Strong

<mstrong@calistacorp.com>; Walter Featherly <wfeatherly@calistacorp.com>; Woolston,

Kristina < kwoolston@DonlinGold.com>

Subject: Re: Report

[External]

We are thankful Josh was here when he was! Also thank you Josh for informing everyone of our poor situation All around.

I would like to say would it not be MKEC who pays for all repairs?

Julia

On Wed, Mar 1, 2023 at 8:12 AM General Manager MKEC < mkec.gm@gmail.com > wrote:

Miranda,

Thank you for sharing Mr. Rumsey's opinion.

Yes, I received a report from Pacific Power on Monday, following their trip to Crooked Creek to make repairs. I have reviewed the report and I am discussing a path forward with them as they continue to confirm parts availability and pricing. Once a decision is made on the best way to move forward, I will gladly share that information with you and the others in the group.

I also am waiting to receive any information about the questions that had been asked about the generator that Donlin generously provided. If that information confirmed that it was possible to connect it into the system, even temporarily, it probably could've been done by now.

Is Calista or any of the other interested parties willing to help with the cost of replacement vs. repair or with freight or labor expenses?

Thank you,

On Wed, Mar 1, 2023 at 9:29 AM Miranda Strong < mstrong@calistacorp.com> wrote: Hi Tim.

We received the following update and Crooked Creek Traditional Councilman Thomas asked for a copy of the Pacific Power report sent to you Friday, please share that report as soon as you can.

My name is Joshua Rumsey. I'm the owner of Mountain State Electrical and Fire Alarm Services. I'm a Master Electrician and fire alarm inspector. I've been an electrician for over twenty years. My first experience with the power situation in Crooked Creek Village was last summer. I worked on the runway lighting and snow removal equipment buildings. After doing load calculations and talking to the engineers I decided to go look at the generators. I've worked on power generation in remote areas of Alaska my whole career. From Red Dog Mine to the drill rigs of the north slope. The generators are in poor shape. They have three generators but only two are in running condition. One of the two operating has seen better days. It's burning through a lot of oil and not running at peak capacity. The two generators barely put out enough energy to power the village let alone the airport. They have to keep the runway lights off because the generators can't keep up. They have no spare so if one generator goes down more than half of the people lose power. I came back to Crooked Creek this February to install transfer switches on all the homes there. In the two weeks Ive been here the power has went out at least once a day. Some times for hours. It was 37 below zero one of those days. I went to the power house to see if I could help. It was in even worse shape than last summer. I got the power back on after 14 hours of making necessary repairs. There are elderly people that can't start their little Honda generators. So they have to sit in the dark around a stove to stay warm. I have personally went around and started their generators and got the lights on for them. I'm working on getting the transfer to switches installed but this is just a bandaid to a much bigger problem. The generators and the power house are in need of serious maintenance. They power lines throughout the village are in poor shape. Probably the worst I've seen in any Alaska village. The power in these remote villages is a matter of life safety. In my opinion the Crooked Creek power infrastructure needs to be looked at by the state electrical engineers and inspectors.

Thanks, Miranda Get <u>Outlook for iOS</u>

From:Miranda Strong < mstrong@calistacorp.com >

Sent:Tuesday, February 28, 2023 12:23 AM

To: Mkec.gm@gmail.com < mkec.gm@gmail.com >

Subject:Report

Hi Tim,

I understand you have a report from Pacific Power sent Friday, would be great to see that as soon as possible please.

Thank you, Miranda

MirandaStrong, JD/MPA | Director of Government Relations

Calista

5015 Business Park Blvd., Suite 3000 Anchorage, Alaska 99503 Cell | 907.744.7454

mstrong@calistacorp.com

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--

Tim Barnum
General Manager
Middle Kuskokwim Electric Co-op, Inc
mkec.gm@gmail.com
417-908-5017

RECEIVED

By the Regulatory Commission of Alaska on Mar 03, 2023

From: <u>Miranda Strong</u>

To: Mail, RCA (RCA sponsored)

Cc: Crooked Creek Traditional Council; zaukarjulia01@gmail.com; Andrew Guy; Government Relations Staff; Calista

media; Tisha Kuhns; Walter Featherly; Curt Chamberlain; Alba Brice; Thiele, Aaron (Murkowski); Ebarb, Amber (Indian Affairs); Espindola, John M (GOV); Mylar, Sharla (Sullivan); Woolston, Kristina; Andrea Gusty; Jonathan;

Gallagher, Tyson C (GOV), Sam.Hiratsuka@house.mail.gov

Subject: Re: Letter from Crooked Creek Traditional Council

Date: Friday, March 3, 2023 4:20:05 PM

Attachments: 3.3.23 Letter Crooked Creek Traditional Council RCA.pdf

CAUTION: This email originated from outside the State of Alaska mail system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Here it is, thank you!

Miranda Strong, JD/MPA | Director of Government Relations

Calista

5015 Business Park Blvd., Suite 3000

Anchorage, Alaska 99503

Cell | 907.744.7454

mstrong@calistacorp.com

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From: Miranda Strong <mstrong@calistacorp.com>

Sent: Friday, March 3, 2023 4:18:06 PM

To: rca.mail@alaska.gov < rca.mail@alaska.gov>

Cc: Crooked Creek Traditional Council <crookedcreektraditionalcouncil@gmail.com>; zaukarjulia01@gmail.com <zaukarjulia01@gmail.com>; Andrew Guy <aguy@calistacorp.com>; Government Relations Staff <govrelations@calistacorp.com>; Calista media <media@calistacorp.com>; Tisha Kuhns <tkuhns@calistacorp.com>; Walter Featherly <wfeatherly@calistacorp.com>; Curt Chamberlain <cchamberlain@calistacorp.com>; Alba Brice <abrice@calistacorp.com>; Thiele, Aaron (Murkowski) <Aaron_Thiele@murkowski.senate.gov>; Ebarb, Amber (Indian Affairs) <Amber_Ebarb@indian.senate.gov>; Espindola, John M (GOV) <John.Espindola@Alaska.gov>; Mylar, Sharla (Sullivan) <Sharla_Mylar@sullivan.senate.gov>; Woolston, Kristina <kwoolston@donlingold.com>; Andrea Gusty <andrea.gusty@kuskokwim.com>; Jonathan <jonathan.samuelson@kuskokwim.com>; Gallagher, Tyson C (GOV) <tyson.gallagher@alaska.gov>

Subject: Letter from Crooked Creek Traditional Council

Hello All,

Sending this letter at President Zaukar's request. We're with her now in Crooked Creek. Have not sent to rest of cc list yet but will later, running to plane. Please let us know what we can do to assist.

Thank you,

Miranda Strong, JD/MPA | Director of Government Relations

Calista
5015 Business Park Blvd., Suite 3000
Anchorage, Alaska 99503
Cell | 907.744.7454
mstrong@calistacorp.com

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